

MORTGAGE ASSISTANCE PILOT (MAP) PROGRAM GUIDELINES

New Jersey Housing and Mortgage Finance Agency

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Program Overview	The Mortgage Assistance Pilot (MAP) program provides temporary financial assistance to income-eligible homeowners who wish to remain in their homes but are in imminent danger of foreclosure due to short-term financial problems beyond their control.
Eligible Applicants	<p>Eligible applicants must be in imminent danger of homelessness due to one of the two following circumstances:</p> <p>(1) the household is experiencing a loss of income for a limited period of time such as temporary unemployment, medical disability or emergency, loss or delay in receipt of other benefits, natural or man-made disaster, or a substantial and permanent change in household composition, and the household is experiencing one of the following:</p> <ul style="list-style-type: none"> ■ is 60 days or more in arrears on mortgage payments, or ■ has been served with a notice of intention to foreclose pursuant to the New Jersey Fair Foreclosure Act, N.J.S.A. 2A:50-53, or ■ has received a comparable notice indicating that a complaint for foreclosure may be filed within thirty days of applying for assistance, or ■ has been served in any legal manner with notice of tax or municipal lien foreclosure including, without limitation, a notice of intent to foreclose pursuant to N.J.S.A. 54:5-97.1, as amended, or ■ has been served with a notice of complaint in foreclosure. <p>(2) the household's mortgage is in default, or is about to become unaffordable to the household within 90 days because the mortgage is inappropriate for the household's size, budget and credit rating and has one or more of the following attributes:</p> <ul style="list-style-type: none"> ■ is an interest-only mortgage with a future interest reset rate ■ contains a payment option plan or a "pick a payment" plan ■ contains a negative amortization schedule ■ is a subprime mortgage ■ has a reset mortgage interest rate that increases the interest rate ■ contains prepayment penalties; or ■ is a high cost home loan as defined under the New Jersey Home Ownership Security Act of 2002.
Maximum Borrower Income Limits	<p>An applicant's income must be less than 120% of the average median income as defined in guidelines published annually by the United States Department of Housing and Urban Development.</p> <p>An applicant must exhaust all other available financial resources first before qualifying for assistance. No household shall be eligible for assistance in the event of initiated or ongoing bankruptcy proceedings.</p>
Eligible Property	The applicant must own and occupy a single family, one-unit home (an attached or detached house or a condominium unit) or a two-family home or a three-family home located in New Jersey and must have resided in the home as a primary residence for at least one year prior to applying for assistance. The applicant is not permitted to own other real estate at the time of application.
Mortgage Loan Terms and Repayment	<p>All assistance shall be in the form of a loan secured by a mortgage that may take any lien position on the home.</p> <p>This mortgage loan shall require no monthly payments. The full principal amount shall be due and payable upon the sale <u>or</u> upon the transfer <u>or</u> upon the cash-out refinance of the property <u>or</u> if the applicant ceases to occupy the property as his/her primary residence.</p>
Maximum Mortgage Loan Amount	<p>The maximum mortgage loan amount shall be \$20,000.</p> <p>The applicant's total debt-to-income ratio post-intervention may not exceed 50% of gross monthly income (the Agency will consider 60% max only if there is evidence an applicant can support higher levels of debt).</p>
Mortgage Loan Interest Rate	The mortgage loan shall carry a zero-percent (0%) interest rate.
Maximum Period of Assistance	The applicant must show evidence of the ability to resume paying housing costs at the end of the assistance period.
Counseling	Applicants must participate in a budget counseling session(s) approved by the Agency.